

U.S. TREASURY DEPARTMENT
Internal Revenue Service
Washington 25, D. C.

Alcohol and Tobacco Tax Division
Industry Circular No. 56-31

August 22, 1956

Transportation of Alcohol, Denatured Alcohol,
Denatured Rum, Proprietary Solvents, Lacquer
Thinners, Distilled Spirits, Wine, and Beer
by Combination Truck-Rail Transfers

Proprietors of distilleries, bonded warehouses,
industrial alcohol plants and warehouses,
denaturing plants, denaturing bonded ware-
houses, wine cellars, breweries; dealers in,
and users of, specially denatured alcohol;
and others concerned:

1. Revenue Ruling 54-479, published October 25, 1954 in Revenue Bulletin No. 43, provides that owners of semi-trailers who are otherwise qualified under alcohol regulations to transport alcohol may transport such alcohol in semi-trailers which are loaded onto railroad flatcars for hauling. The wording of the ruling is such as to imply that the semi-trailer must be unloaded from the flatcar and delivered to the premises of the consignee by the trucking company that originally received the shipment at the premises of the consignor.

2. Revenue Ruling 54-479 has been modified by Revenue Ruling 56-353 to provide that, pursuant to an appropriate bill of lading, the semi-trailer may be unloaded from the flatcar at the point of destination and delivered to the premises of the consignee by an approved carrier other than the one who originally received the shipment. It is also provided that shipments of beverage spirits, denatured alcohol, denatured rum, proprietary solvents, and lacquer thinners may be similarly handled.

3. As used in Revenue Ruling 56-353, and in this industry circular, the term "semi-trailer" means a tank truck or van-type truck so constructed and equipped that all openings can be closed and sealed, and includes self-propelled and full trailer, as well as semi-trailer, trucks.

4. Pursuant to the applicable provisions of 26 CFR Parts 182 "Industrial Alcohol" and 216 "Denaturation of Rum", alcohol, denatured alcohol, denatured rum, proprietary solvents, and lacquer thinners may be transported by semi-trailers which in turn are loaded onto railroad flatcars for hauling. At the


Industry Circular No. 56-31

4. Pursuant to the applicable provisions of 26 CFR Parts 182 "Industrial Alcohol" and 216 "Denaturation of Rum", alcohol, denatured alcohol, denatured rum, proprietary solvents, and lacquer thinners may be transported by semi-trailers which in turn are loaded onto railroad flatcars for hauling. At the railroad destination the semi-trailer may be unloaded from the flatcar and delivered to the premises of the consignee by the final carrier shown on the bill of lading. Distilled spirits, wine, and beer may be similarly transported, pursuant to the applicable provisions of 26 CFR Parts 220, "Production of Distilled Spirits"; 221, "Production of Brandy"; 225, "Warehousing of Distilled Spirits"; 235, "Rectification of Spirits and Wines"; 240, "Wine"; and 245, "Beer".

5. This method of transportation may be used only where (1) shipment by the type of truck to be used is authorized by the respective regulations, (2) the truck conforms to the requirements of the regulations, (3) the carriers are approved, when approval is required by regulations, and (4) such shipments are made in accordance with the provisions of the regulations.

6. It is provided in 26 CFR Parts 182, 220, 221, and 225 that where a shipment of alcohol or distilled spirits is made by tank truck to an industrial alcohol bonded warehouse, denaturing plant, or internal revenue bonded warehouse, the transfer papers will be sealed in an envelope addressed to the storekeeper-gauger in charge of the receiving premises and handed to the driver of the tank truck for delivery on arrival at destination. This procedure is not practical where the tank truck itself is to be shipped part of the way by rail, and the driver will therefore attend the truck only to the place of loading on the railway car. In such cases the transfer papers will not be given to the driver of the truck, but will be promptly forwarded by mail to the receiving storekeeper-gauger.

7. Inquiries in regard to this industry circular should refer to the number thereof and should be directed to the appropriate assistant regional commissioner, alcohol and tobacco tax.


Dwight E. Avis
Director, Alcohol and Tobacco Tax Division